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October 11, 2018

BY ECF FILING

The Honorable Eric N. Vitaliano, U.S.D.J. United States District Court Eastern District of New York 225 Cadman Plaza East Brooklyn, New York 11201

Re:

Pogodin, et al. v. Cryptorion, Inc., et al. Civil Action No. 18-cv-791-ENV-SMG Request for Leave to File Motion to Withdraw

Dear Judge Vitaliano:

Our firm represents the defendants Cryptorion, Inc. (the "Company") and Zurab Tsitsuashvili ("Mr. Tsitsuashvili") (collectively, the "Moving Defendants") in this matter. Please accept this letter, pursuant to your Honor's Individual Motion Practice and Rules, as our request for permission to file a motion to withdraw as counsel for the Moving Defendants.

The Company originally retained A.Y. Strauss LLC (the "Firm") to represent it in connection with certain corporate matters. The Firm further agreed to represent the Company and Mr. Tsitsuashvili, its Chief Executive Officer, in connection with this litigation. The Firm commenced its representation of the Company and Mr. Tsitsuashvili by filing a Motion to Dismiss the Plaintiffs' Complaint and an Answer to Mr. Zvi Ben-Zvi's Cross-Claims.

However, soon after the Firm's representation in this litigation commenced, the Company started becoming delinquent with respect to the Firm's bills for legal services, and has failed to pay any fees due and owing to the Firm since April 11, 2018, without excuse or justification. As a result, the Company has an outstanding balance due to the Firm in excess of \$40,000 for corporate and litigation legal services rendered to date. The Firm repeatedly put the Company on notice that without payment, the Firm would be forced to seek to withdraw from its representation, and the Company repeatedly promised that payment was forthcoming, to no avail. Indeed, we have recently tried to work out mutually acceptable arrangements with our client but, unfortunately, without success.

By failing to make any payments to the Firm for services rendered for six months, the Company has rendered our representation effectively impossible. As a result, the Firm can no longer provide effective or adequate legal representation to the Company or Mr. Tsitsuashvili in this matter.





At this early stage of the litigation, we do not believe any party will suffer any prejudice due to the Firm's withdrawal as counsel. Indeed, we seek to withdraw at this point to avoid potential prejudice if we waited until the case had progressed further and discovery had commenced. Moreover, we believe that withdrawal is proper under Rule 1.16(c) of the New York Rules of Professional Conduct and L. Civ. R. 1.4.

As a courtesy, we have advised counsel for all other parties that we intend to submit this letter to the Court seeking permission to file a motion to withdraw as counsel for the Moving Defendants. At least preliminarily, counsel for the other parties have indicated to us they don't plan to oppose the relief we are seeking, provided it does not result in undue delay. We have, of course, informed our client of our upcoming request to withdraw from our representation.

By copy of this letter, we respectfully advise Magistrate Judge Gold of our request that the conference scheduled for next Thursday, October 18, be indefinitely suspended until such time as the Court determines to be reasonable and appropriate for all parties.

Thank you in advance for your consideration of our request.

Respectfully submitted,

A.Y. STRAUSS LLC

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Counsel for Defendants Cryptorion, Inc. and Zurab Tsitsuashvili

cc: Honorable Steven M. Gold, U.S.M.J.
Daniel Akselrod, Esq.
Eric Wertheim, Esq.

Peter Adelman, Esq.